



# COMMONWEALTH of VIRGINIA

HAROLD W. CLARKE  
DIRECTOR

*Department of Corrections*

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September 9, 2016

The Honorable Thomas K. Norment, Jr.  
Co-Chairman, Senate Finance Committee  
P.O. Box 396  
General Assembly Building  
Richmond, Virginia 23218

The Honorable Emmett W. Hanger, Jr.  
Co-Chairman, Senate Finance Committee  
P.O. Box 396  
General Assembly Building  
Richmond, Virginia 23218

The Honorable S. Chris Jones  
Chairman, House Appropriations Committee  
P.O. Box 406  
Richmond, Virginia 23218

Daniel Timberlake, Director  
Virginia Department of Planning and Budget  
1111 East Broad Street  
Room 5040  
Richmond, VA 23219-3418

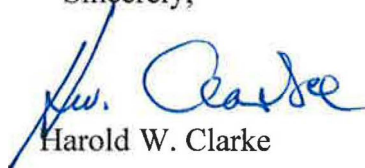
Dear Senator Norment, Senator Hanger, Delegate Jones and Director Timberlake,

Chapter 780, Item 391 B. of the 2017-2018 Biennium Budget Bill requires that "The Department of Corrections shall provide an annual report on the status of jail construction and renovation projects as approved for funding by the General Assembly. The report shall be limited to those projects which increase bed capacity. The report shall include a brief summary description of each project, the total capital cost of the project and the approved state share of the capital cost, the number of beds approved, along with the net number of new beds if existing beds are to be removed, and the closure of any existing facilities, if applicable. The report shall include the six-

year population forecast, as well as the double-bunking capacity compared to the rated capacity for each project listed. The report shall also include the general fund impact on community corrections programs as reported by the Department of Criminal Justice Services, and the recommended financing arrangements and estimated general fund requirements for debt service as provided by the State Treasurer. Copies of the report shall be provided by October 1 of each year to the Chairmen of the Senate Finance and House Appropriations Committees and to the Director, Department of Planning and Budget.”

Please find attached the annual report of those jail projects approved by the General Assembly in 2016.

Sincerely,

A handwritten signature in blue ink, appearing to read "H.W. Clarke", is written over a printed name. The signature is fluid and cursive.

Harold W. Clarke

HWC/REC

Attachment

cc: Cookie Scott  
Donna Lawrence  
Bob Casey  
File

Annual Report of General Assembly  
Approved Jail Projects  
October 1, 2016

Prepared by the  
Compliance, Certification and Accreditation Unit of the  
Virginia Department of Corrections  
The Department of Criminal Justice Services and the Department of the Treasury

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## **Introduction**

Chapter 780, Item 391 B. of the 2016-2018 Biennium Budget Bill requires that “The Department of Corrections shall provide an annual report on the status of jail construction and renovation projects as approved for funding by the General Assembly. The report shall be limited to those projects which increase bed capacity. The report shall include a brief summary description of each project, the total capital cost of the project and the approved state share of the capital cost, the number of beds approved, along with the net number of new beds if existing beds are to be removed, and the closure of any existing facilities, if applicable. The report shall include the six-year population forecast, as well as the double-bunking capacity compared to the rated capacity for each project listed. The report shall also include the general fund impact on community corrections programs as reported by the Department of Criminal Justice Services, and the recommended financing arrangements and estimated general fund requirements for debt service as provided by the State Treasurer. Copies of the report shall be provided by October 1 of each year to the Chairmen of the Senate Finance and House Appropriations Committees and to the Director, Department of Planning and Budget.”

For the 2016-2018 Biennium Budget no new projects were approved by the General Assembly that increased bed capacity.

Projects approved by the Board of Corrections in 2016 included an upgrade of the security control system and kitchen floor at the Rappahannock Regional Jail, upgrades to the roofing, HVAC system, boilers and security control system at the Rockbridge Regional Jail, and a staffing study for the Piedmont Regional Jail.

## Currently approved projects by the General Assembly

The following projects have been approved by the General Assembly and are either completed or under construction:

**Richmond City Jail** – rated capacity 1032 beds - main facility opened July 25, 2014.  
Renovation of Community Custody Building opened December 2014.

**RSW Regional Jail** – rated capacity 375 beds – date opened June, 2014.

**Prince William-Manassas Regional ADC** – will add 204 new beds – date of completion projected for September, 2019.

**Southwest Virginia Regional Jail** - added 512 new beds – completed February, 2015.

**Central Virginia Regional Jail** – added 200 new beds – completed August, 2016.

**Chesapeake City Jail** – will add 192 new beds – date of completion projected for January, 2018.

**Pamunkey Regional Jail** – added 12 new beds – completed August, 2016

**Hampton Roads Regional Jail** – upgraded the security control system – completed June, 2016.

**Piedmont Regional Jail** – renovation and addition of intake area – date of completion projected for June, 2018.

## Approved Funding

**Funding included in the 2016-2018 Biennial Budget for the Commonwealth's reimbursement of a portion of the approved capital costs as determined by the Board of Corrections and other interest costs as provided in §§ 53.1-80 through 53.1-82.2 of the Code of Virginia, for the following:**

### Commonwealth's Share of Approved Capital Costs

#### Project

Richmond City Jail Replacement	\$31,238,755
RSW Regional Jail	\$32,840,850
Prince William-Manassas Regional Jail	\$21,032,421
Southwest Virginia Regional Jail	\$18,143,780
Central Virginia Regional Jail	\$8,464,891
Chesapeake City Jail	\$6,860,886
Pamunkey Regional Jail Authority	\$288,575
Hampton Roads regional Jail	\$1,759,780
Piedmont Regional Jail	\$2,139,464
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<b>Total Approved Capital Costs</b>	<b>\$122,769,402</b>

## **Community Corrections Funding Required by Jail Expansion Plans Department of Criminal Justice Services**

Pursuant to § 53.1-82.1 of the Code of Virginia, there are requirements to submit a community-based corrections plan to the Board of Corrections for approval of a jail project. Item 377.A6 of the Appropriation Act states that:

“If the Board of Corrections approves a request, the Department of Criminal Justice Services shall submit to the Department of Planning and Budget by October 1, a summary of the alternatives to incarceration included in the community-based corrections plan approved for the project, along with a projection of the state funds needed to implement these programs.”

A total of two projects were approved by the Board in 2015, however, neither of these projects increased rated bed capacity or staffing requirements. Therefore, no community-based corrections plans were presented to the Board in 2016.



## **Recommended Financing Arrangements and Estimated General Fund Requirements for Debt Service as Provided by the Department of Treasury**

**Richmond City Jail Replacement, 1,032-Bed Expansion** – Based on approved costs of \$124,955,020, annual debt service for the VPBA’s reimbursement of the \$31,238,755 State share would be approximately \$2,271,500 each year for 20 years.

**RSW Regional Jail, 375-Bed Expansion** – Based on approved costs of \$65,681,700, annual debt service for the VPBA’s reimbursement of the \$32,840,850 State share would be approximately \$2,429,200 each year for 20 years.

**Prince William – Manassas Regional Jail, 204-Bed Expansion** – Based on approved costs of \$42,064,842, annual debt service for the VPBA’s reimbursement of the \$21,032,421 State share would be approximately \$1,530,200 each year for 20 years.

**Southwest Virginia Regional Jail, 512-Bed Expansion** – Based on approved costs of \$36,287,560, annual debt service for the VPBA’s reimbursement of the \$18,143,780 State share would be approximately \$1,320,100 each year for 20 years.

**Central Virginia Regional Jail, 200-Bed Expansion** – Based on approved costs of \$16,928,382, annual debt service for the VPBA’s reimbursement of the \$8,464,891 State share would be approximately \$623,290 each year for 20 years.

**Chesapeake City Jail, 192-Bed Expansion** – Based on approved costs of \$27,443,544, annual debt service for the VPBA’s reimbursement of the \$6,860,886 State share would be approximately \$500,800 each year for 20 years.

**Pamunkey Regional Jail, 12-Bed Expansion** – Based on approved costs of \$577,150, annual debt service for the VPBA’s reimbursement of the \$288,575 State share would be approximately \$23,600 each year for 20 years.

**Hampton Roads Regional Jail, Security Control System Upgrade** – Based on approved costs of \$3,519,560, annual debt service for the VPBA’s reimbursement of the \$1,759,780 State share would be approximately \$130,200 each year for 20 years.

**Piedmont Regional Jail, New Intake Area** – Based on approved costs of \$4,278,928, annual debt service for the VPBA’s reimbursement of the \$2,139,464 State share would be approximately \$158,200 each year for 20 years.

All estimates were computed using a budgeted interest rate assumption of 4.00%. The actual interest rate will be based on market conditions at the time of the transaction. Also the estimates only relate to reimbursement of approved project costs and do not include reimbursement of the state's share of the regional authorities' financing (interest) costs from construction midpoint through completion, which will also be determined and at completion based on the timing and terms of their respective financings.

Since Board of Corrections approval has been obtained, the Department of Treasury will establish a file for each of these and monitor for General Assembly authorization during future sessions after which they will be added to our list of authorized jail projects.